

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7251**

**BILL NUMBER:** HB 1715

**NOTE PREPARED:** Dec 30, 2004

**BILL AMENDED:**

**SUBJECT:** Health Benefit Mandate Task Force.

**FIRST AUTHOR:** Rep. Borders

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides for per diem payment and cost reimbursement for members of the Health Benefit Mandate Task Force to review mandated benefits and mandated benefit proposals. The bill specifies certain requirements for the task force.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The task force, created in 2003, began meeting in August of 2003 and has met monthly since. The task force consists of nine members: eight lay members and one state employee. Currently, the members serve on a voluntary basis without reimbursement. The proposal provides that each member of the task force who is not a state employee is entitled to per diem and reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The member who is a state employee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties.

Currently, the Department of Insurance (DOI) provides administrative support for the task force. Per diem and traveling expenses would be taken from the DOI budget. It is presumed that the DOI will be able to absorb these additional costs given the DOI's current resources and budget.

The proposal requires the task force upon the request of a member of the General Assembly or determination of the task force to assess the social, medical, and financial impacts of at least one existing mandated benefit or one mandated benefit proposal each year. The task force must also annually determine the full cost of all existing mandated benefits in the state as a percentage of the state's average annual wage and health coverage premiums. In making the annual determination, the task force must consider the full cost of existing mandated

benefits under a typical group and individual accident and sickness insurance policy and health maintenance organization contract in Indiana as well as the state employee self-insured health plans. The task force may contract for actuarial services and other professional services. Currently, the task force meets approximately once a month. The proposal will increase administrative costs to the DOI for per diem and travel for the task force. The specific impact will depend on how often the task force meets. It is presumed that per diem and travel costs will not exceed \$10,000. The task force, however, could incur additional expenses associated with contracting for actuarial services and other professional services.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DOI.

**Local Agencies Affected:**

**Information Sources:** Amy Strati, Acting Commissioner, DOI, 232-2404.

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.